

What are Companies looking for?

Companies are looking for

- a robust business model, competitiveness, a stable economic and political environment
- attractive products, and trustable customers
- profit optimization, cost effectiveness, and cash flow
- Innovation competency

As long as “the economic weather” is fine market forces can guide company decisions. But market forces tend to drive to their limits.

The Limits of Market Forces

Market Forces are unable

- to maintain a fair competition
- to keep the financial system stable
- to recognize the limits of ecological resilience
- to lead out of the carbon economy
- to keep supply chains reliable
- to avoid political dependencies
- to minimize social conflicts
- to respect human rights
- to avoid criminal greedy and corrupt behavior.

Markets need political Regulation

Due to their limits market forces need forward-looking, competent and democratic regulation, in order

- to guarantee fair competition and fair trade
- to support innovations in economy and social life
- to avoid market failures due to the above deficiencies of market forces
- to assure the quality of products and procedures, avoiding risks that are too difficult to control for consumers, employees, environment and democracy
- drive and coordinate needed transformation processes
- provide geo-political guidelines to maintain sovereignty
- support new technologies and mitigate conflicts caused by new technologies

For these purposes a reliable legal system and a state that flexibly adapts regulation to new developments, is needed.

Human involvement in Market Forces

We should not believe that humans have nothing to do with market forces and are only their victims.

Human greed is a driving component of market forces. Regulating them is an essential part of controlling risk and ensuring stability.

Human creativity and the joy of its economic implementation is another component of market forces. Protecting it from human greed, instability and blocking corruption is a purpose of regulatory rules.

The religion of Free Markets is the attitude of simply following market forces because they are believed to guide us better than we can ourselves.

Politicians who delegate their responsibilities to market forces for being guided, act without responsibility. By doing so, they say that political inactivity is the best behavior of all, because no politician makes better decisions than the market. This is also very convenient. Then there is no need to make own concepts, or prepare for anything . Just let everything run its course. This leads to disasters.